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TAGS: [PREL](#) [PGOV](#) [EAGR](#) [KPAO](#) [AR](#)  
SUBJECT: (C) CARLOS REUTEMANN, ARGENTINA'S RELUCTANT  
PRESIDENTIAL CONTENDER

REF: A. BUENOS AIRES 0750  
[1](#)B. BUENOS AIRES 0794 AND PREVIOUS  
[1](#)C. 08 BUENOS AIRES 0737 AND PREVIOUS  
[1](#)D. BUENOS AIRES 0984  
[1](#)E. BUENOS AIRES 0942  
[1](#)F. BUENOS AIRES 971

Classified By: CDA Tom Kelly for reasons 1.4 (b) & (d).

[1](#)1. (C) Summary: Peronist dissident -- and presumptive 2011 frontrunner for his party's presidential nomination -- Senator Carlos Reutemann from Santa Fe province shared his views with the CDA on the 2011 presidential race and the post-midterms strategy of President Cristina Fernandez de Kirchner (CFK) and her husband, former president Nestor Kirchner (NK). Reutemann, who rejected an offer to run for the presidency in 2003, avoided addressing his own presidential aspirations, preferring to speak at length about how NK is creating "a minefield" for Argentina's next President and predicted that it would be difficult to "return to normality" once the Kirchners leave office. Reutemann criticized the CFK administration for misinterpreting the results of the June midterms in which the Kirchner-allied Victory Front (FpV) alliance suffered an electoral defeat (ref A). The Senator mused that the more the press emphasizes the Kirchners' loss -- i.e., that 70% did not vote for the government -- the more the Kirchners react. He added that the Kirchners are seeking to regain the political initiative following the FpV's electoral defeat, citing recent political victories as reenergizing NK. Informal but reserved, the pro-American Reutemann is by all accounts a different breed of Argentine politician. Despite the enthusiasm among many in the PJ ranks for his candidacy in 2011, the Senator appears ambivalent about running and assuming the presidency in the aftermath of the Kirchners. End Summary.

#### The Reluctant Candidate

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[1](#)2. (C) CDA Kelly met August 27 with Peronist dissident, Santa Fe Senator Carlos Reutemann, who was accompanied by his longtime aide, national deputy-elect Celia Arena. Reutemann, 67, who is referred to as "Lole" by friends and supporters, is well-known in Argentina for his former career as a Formula One racing champion. In 2008, the laconic Reutemann was one of the first Peronists to break ranks with President Cristina Fernandez de Kirchner (CFK) and her husband, former president Nestor Kirchner (NK), during the government's extended conflict with the farm sector. In recent weeks, Reutemann has been headline news as speculation raged over his potential 2011 presidential candidacy. In 2003, Reutemann declined then-President Eduardo Duhalde's offer to make him the PJ candidate for President, offering only the cryptic and now legendary remark, "I saw something I didn't like," as his explanation for bowing out.

13. (SBU) This year, immediately before the June 28 elections (ref A), Reutemann said he intended to run for president in 2011, but since then he has avoided comment about such aspirations. At the same time, he has publicly rebuked those, like former President Eduardo Duhalde, who are pressing him to run. During an August 24 radio interview, Reutemann publicly expressed exasperation with what he perceived as behind-the-scenes machinations by Duhalde and others to force his hand. Usually cool and taciturn, Reutemann unleashed some choice expletives, saying he "could not give a damn" about the country's future and "they can take that candidacy and shove it up their a--." In the June midterms, Reutemann was re-elected to his third Senate tour after narrowly beating Santa Fe Governor Hermes Binner's candidate, socialist Ruben Giustiniani by 1.37 points (42.07% to 40.7%).

#### On the 2011 Presidential Race: Not Exactly Raring to Go

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14. (C) Describing himself as "not the traditional political type," Reutemann avoided directly addressing his presidential aspirations while providing several reasons not to run. He said that NK is creating "a minefield" for Argentina's next President, citing the nationalization of the private pension plans and the GOA's agricultural export tax policy. He added that NK has the capacity to cause "significant damage" before the next President assumes office. Reutemann predicted that it will be challenging to demobilize rabble-rousing piquetero social activists Luis D'Elia and Emilio Persico in national politics, on whom he claimed the Kirchners are increasingly reliant (ref B). Reutemann described Buenos Aires province as "a mess," remarking that it will be difficult "to return

to normality" once the Kirchners have left office. To make matters worse, he continued, Argentines want "a savior to come and fix everything in 24 hours."

15. (C) Deputy-elect Arena saw the future as less dire. She noted that although there will be economic issues to address, a newly elected president should have legislative support to overturn much Kirchner-era legislation. As an example, she noted that if the controversial audiovisual bill gets approved, it will take over two years to implement, giving the next presidential administration time to annul it. (Note: After a 90-day public hearing period, CFK sent the revised audiovisual bill to Congress on August 27. The legislation, which among other changes would reduce the licenses that one media organization can hold from 24 to 10, is criticized by the opposition and media for limiting freedom of expression -- ref C.)

16. (C) As to other presidential contenders, Reutemann said that the PJ is looking for an independent Peronist as an alternative. Nonetheless, he maintained that the current political situation, as well as the 2011 presidential race, represented a "final battle between Duhalde and NK." CDA pressed Reutemann on this point, observing that Duhalde's unpopularity made it seem unlikely that he would actually be a presidential candidate. At best, he could aspire to be a kingmaker, and not necessarily the predominant tone at that. Deputy Elect Arena agreed with this analysis, but Reutemann demurred, cautioning that Duhalde should not be counted out as a potential candidate.

17. (C) Reutemann noted that the PJ needs to have an internal election to nominate a candidate, but that "the rules of the game" are not clear yet. He explained that in past elections, the party has picked candidates differently. For example, he explained the PJ used a party primary to select Carlos Menem as its presidential candidate in 1989, a congressional consensus to pick Duhalde in 2002, and a party congress in 2007 for CFK. (Note: In 2003, courts kept the PJ from holding a caucus or primary. Since Peronists could not agree on a candidate, three different Peronist candidates, NK among them, ran in the first round of general elections. NK, backed by Duhalde, came in second, but first-place winner Menem declined to take the race to the second round, thereby

handing NK a victory with only 22% of the vote.) Reutemann explained that even though NK is no longer PJ party president (he resigned the day after the FpV's midterms defeat), the Kirchners can still play a decisive role in picking the next PJ presidential candidate, given their influence over Buenos Aires Province Governor Daniel Scioli, the new party president. The Kirchners also have a staunch ally in Hugo Moyano, secretary general of the General Workers Confederation (CGT) and the PJ's second vice-president, Reutemann added. In addition, Reutemann noted the government retains the economic power and is "betting on an economic revival this year."

¶18. (C) As for the aspirations of the country's PJ Governors, Reutemann said it would be an uphill battle for Scioli to refloat his presidential candidacy, given that he is so closely tied to NK. Reutemann thought that, despite popular belief, Chaco Governor Jorge Capitanich (the PJ's first vice president, who is seen by some as a potential Kirchnerista presidential candidate) is eyeing a second run at the Governorship and not the presidency. He shrugged non-committally when the CDA asked about the presidential prospects of other PJ governors, such as Salta's Urtubey, San Juan's Gioja, and Chubut's Das Neves.

#### A Government in Denial

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¶19. (C) Reutemann remarked that the Government has misinterpreted the June midterms and the message of their electoral defeat. As an example, Reutemann referred to recent remarks by NK and Senate FpV bloc leader Miguel Pichetto that the June midterms indicate the people want the government "to deepen the model" and "to continue with the same direction." Reutemann mused that the more the press emphasizes the Kirchners' loss -- i.e. that 70% did not vote for the government -- the more adversely the Kirchners react.

#### ...And Seeking a Rebound

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¶10. (C) Reutemann asserted that the Kirchners want to regain the initiative after the FpV's loss in the June midterms. He cited as recent examples: congressional approval of a one-year extension of numerous legislative powers delegated

to the Executive Branch, GoA acquisition of the concession to televise soccer games (ref E), and the submission to Congress, after a 90-day public review, of the controversial audiovisual bill (ref C). He said such victories reenergize NK, who returns to the center of the ring to "pound his chest" and seeks "to discipline" the country's influential governors. He added that NK is angry with the farm sector, which he suspects of "coup mongering" and of using the conflict to better position themselves in government. He noted that the farm sector now has three national deputies in Congress. In addition, he said Argentine Agrarian Federation (FAA) President Eduardo Buzzi wants to be Governor of Santa Fe Province while Entre Rios province FAA leader Alfredo D'Angeli is angling for the Entre Rios Governorship.

#### UNASUR Conference in Bariloche

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¶11. (C) Reutemann asked the CDA for his views on the August 28 UNASUR Conference hosted by Argentina in Bariloche. The CDA relayed that WHA DAS Chris McMullen visited Argentina just before the summit to address GOA concerns regarding the USG's Defense Cooperation Agreement (DCA) with Colombia on the use of its military bases ahead of the conference (ref D). Drawing from guidance, the CDA noted the DCA's focus on assisting the GOC with its internal security problems and on non-intervention and sovereignty. He added that the U.S. Congress had earlier capped the number of U.S. troops stationed in Colombia at any given time at 800, and that the average number of troops on the ground is 250.

## Views of the United States

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¶12. (C) Reutemann, who relayed that he is planning upcoming travel to the United States, said he is a fan of the United States. He knows it well, having travelled all over the country to participate in Formula One races (he won races in Long Beach and Watkins Glen). Tweaking his compatriots, he said that Argentines in polls consistently express highly negative opinions of the United States, yet at the same time identify the United States as the country they most want Argentina to emulate. Reutemann opined that NK, as President, fueled anti-Americanism by exploiting it for his political benefit. He added now the CFK administration wants to strengthen relations with President Obama's administration, but seems unsure about how to do so. CDA replied that such an interest on CFK's part provides an opportunity to improve bilateral relations.

## Bio Data

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¶13. (SBU) Reutemann's political career started after he retired from Formula One racing in 1982. In 1991, former President Carlos Menem backed his nomination for Santa Fe governor. Reutemann served as Santa Fe governor for two terms (1991-1995 and 1999-2003) and as national senator (1995-1999 and 2003-2007), where he served as the Foreign Affairs Committee President. Since 1991, he has held a number of PJ party positions and was a member of the constitutional reform convention in 1994. Born in the city of Santa Fe on April 12, 1942, the Senator is married and has two daughters.

## Comment

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¶14. (C) Informal in style, low-key, and reserved, Reutemann is by all accounts a different breed of Argentine politician. He also openly admires the United States. Despite the enthusiasm among many in the PJ ranks for his candidacy, Reutemann appears conflicted about running and worried about the challenges that will face Argentina's next president. (The other leading 2011 presidential contender, Vice President Julio Cobos, recently shared the same misgivings with CDA -- ref F.) History may repeat itself, with Reutemann again seeing something he does not like. Alternatively, his reluctance to announce a presidential bid may simply reflect an instinct for self-preservation. He has been quoted to say that Nestor Kirchner is "sinking the Peronists" and their chances of winning in 2011. He may also be calculating that a premature announcement will unnecessarily expose him to protracted fire from Kirchner and other presidential aspirants.

KELLY